



TOWN OF BOXBOROUGH

TOWN ASSESSOR

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How are valuations calculated by the Assessors?

For FY2018, the Town Assessor completed an interim year adjustment of all real and personal property which was reviewed and approved by the Department of Revenue. The revaluation requires the verification, analysis, and use of arms-length sales from calendar year 2016. An arms-length sale is a sale between 2 unrelated parties; a willing buyer and a willing seller, each of whom is reasonably knowledgeable of market conditions, is under no undue pressure to buy or sell, and has no unusual circumstances involved in the sale. FY2018 property valuations are based on the real estate market during the time period of 2016, not the on current real estate market. Changes occurring in the real estate market subsequent to the January 1, 2017 assessment date will be analyzed for the formation of the next fiscal years assessments.

Property valuations for FY2018 reflect the assessment date of January 1, 2017. The assessment date causes valuations to lag behind the current real estate market. When the real estate market is appreciating, valuations are lower than sale prices and when the real estate market decreases, valuations decrease in response to decreasing sale prices. New construction, including additions and remodeling, is valued according to its condition as of June 30, 2017. The Town Assessor is required to value all property each fiscal year at 100% full and fair cash market value in accordance with the standards and approval of the Massachusetts Department of Revenue. Full and fair cash value is defined as the price a willing buyer would pay a willing seller for property exposed to the market for a reasonable time.

The annual analysis of valuation data is called Mass Appraisal. Residential property types including single family, two and three family, and condominiums are valued by the market approach. This approach uses statistical analysis to examine comparable properties sold in arms length transactions by various characteristics including size, neighborhood, age, building type, sale price, and condition and make indicated adjustments based on market trends. Vacant land is valued by use of vacant land sales and an analysis of the residual value of improved parcel sales after subtracting the value of the improvements. All property valuations must meet DOR requirements for assessment levels and uniformity. Market trends may indicate that different property types may change in value more or less than other property types.

Property types including apartment, commercial retail and office, and industrial, are valued by the income or cost approach. The income approach takes into account property rental and lease income less allowable operating expenses, and divides the net operating income by the capitalization rate to reach value. The cost approach calculates the replacement cost of the new improvements less depreciation plus the value of the land to reach value.

To see your property's assessment, you should review your Property Record Card, available in the Town Assessor's Office or online at www.boxborough-ma.gov. The Property Record Card contains all the data on your parcel including detailed land and building information and sales of comparable properties. We encourage you to take the time to review your property record card and check the data on it. If you have questions, please contact the Town Assessor. If you find errors, please call for a property inspection appointment.